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FISCAL IMPACT STATEMENT

LS 7254 **NOTE PREPARED:** Jan 5, 2004
BILL NUMBER: SB 367 **BILL AMENDED:**

SUBJECT: Compulsory School Attendance.

FIRST AUTHOR: Sen. Kenley **BILL STATUS:** As Introduced
FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL** **IMPACT:** Local
DEDICATED
FEDERAL

Summary of Legislation: The bill establishes the conditions under which a student who is at least 16 years of age (but less than 18 years of age) may withdraw from school. The bill allows a school corporation that determines it cannot serve a student because of the student's disruptive behavior or frequent unexcused absences to place the student in another setting. The bill provides that if the other setting is in another school corporation or a nonpublic school, the school corporation in which the student has legal settlement is responsible for tuition.

Effective Date: July 1, 2004.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Annual Report*- Under the bill, schools would be required to provide an annual report to the Department of Education that contains the following information: (1) the total number of students who withdraw from the school under the proposed withdrawal policies and (2) the number of students who withdraw from school for financial hardship. The provision would increase the administrative responsibilities of schools. However, this provision should be able to be accomplished within schools' existing resources.

Appeal Process- Under the bill, a parent that receives denial for consent for their student to withdrawal from school, the parent my appeal the decision to governing body of the school corporation.

Disruptive Students- Under the bill, a school corporation could place a disruptive student in another public school in a different school corporation. If a transaction, as described above, were attempted, the removing school corporation would pay to the receiving school corporation an amount not exceeding the removing school's target revenue for the student. The impact to local expenditures is indeterminable and would depend on local action.

Example 1- School corporation A removes a student that has target revenue of $5,000 per student. School corporation B is the receiving school corporation and has educational costs of $5,500 per student. Under the bill, school corporation A would pay school corporation B $5,000 to receive the student.

Example 2- School corporation A removes a student that has a target revenue of $6,000 per student. School Corporation B receives the student and has educational costs of $4,800 per student. School Corporation A would pay $4,800 to school corporation B.

Background: For CY 2005, 99% of school corporations have target revenue per ADM that ranges from $4,700 to $7,700. The median target revenue per ADM for CY 2005 is about $5,100.

In school year 2000, 2,513 students were expelled for disruptive behavior. More recent data on expulsions by category is unavailable.

There were approximately 205,507 10th through 12th grade public school students during school year 2002-2003. Additionally, there were 22,381 10th through 12th grade students enrolled in nonpublic schools during school year 2002-2003. Total home school enrollment for school year 2002-2003 is estimated at 21,068.

Explanation of Local Revenues: See *Explanation of Local Expenditures.*

State Agencies Affected: Department of Education.

Local Agencies Affected: School corporations.

Information Sources: DOE SAS and ORACLE DATABASES.

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